

JOINT STATEMENT OF THE SECRETARIES OF STATE
AND TREASURY

The United States went to UNCTAD IV at Nairobi in a serious and cooperative spirit. In preparation for the Conference, we conducted a thorough review of U.S. international economic policies in which all agencies of the Government participated. There was agreement on a series of proposals of special relevance to the developing countries, which we presented at UNCTAD. We were represented by the most senior delegation in the history of UNCTAD meetings, and, for the first time, the United States position was set forth in an opening statement by the Secretary of State. In that statement, the United States put forward its proposals to deal with the problems of the developing world, including proposals directly related to commodities, and at the same time indicated that there were certain proposals that we could not accept. Throughout the four week meeting, the United States cooperated with other nations and important progress was made on a number of matters before the Conference.

In our review of international commodity policies in preparation for the UNCTAD meeting, and otherwise, we have tried to find ways of meeting the concerns of the developing countries, within the framework of an efficient international market system. As we have made clear at

the UN Conference, we are prepared to participate in a case-by-case examination of arrangements to improve the functioning of the international commodity markets through a broad range of measures appropriate to specific commodities, but we have opposed mechanisms to fix prices or limit production by inter-governmental action.

One of the most significant of the U.S. proposals addressed the problem of increasing investment in mineral development. For that reason, the United States, in an effort to meet the interests of the developing countries and the world economy at large, proposed an International Resource Bank to facilitate the continued flow of essential capital, management and technology for the development of new resources in the LDC's.

As the Conference progressed a senior interagency group in Washington reviewed all proposals before the Conference with a view to accepting as many as possible of the suggestions being made by the LDC's and other countries consistent with our basic principles.

At the final plenary session an LDC resolution on commodities was adopted by consensus. The interagency group authorized reservations about parts of this resolution, which were read at the Conference. Nevertheless, we joined the consensus because we wanted to contribute to the spirit of harmony in the closing sessions of the conference and because the resolution contained a number of elements of our own comprehensive approach which had been agreed

within the Government and advanced by Secretary Kissinger
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in his address to the conference three weeks earlier. As
our reservations indicate, we did not believe that all
aspects of the LDC proposals were practical and feasible.
However, we committed ourselves to the search for concrete,
practical solutions to commodity problems that will be in
the interests of both producers and consumers.

It is all the more regrettable, therefore, that the
resolution proposing further study of the International
Resource Bank was defeated by two votes with 31 votes in
favor. Ninety countries at the last minute abstained or
absented themselves.

A substantial number of the 33 votes against were the
Socialist countries, whose contribution to the development
of the poorer countries of the world is negligible.

Forty-four countries cooperated in this effort by
abstaining on the International Resource Bank and forty-six
absented themselves -- almost all of which were the
developing countries. This does not augur well for the
future of the dialogue of the world-wide development effort.
The United States, whose role is so vital, does not expect
when it makes major efforts to cooperate, that its proposals
will be subject to accidental majorities.

If the dialogue between the developing and developed
countries, to which we attach great importance, is to
succeed, suggestions put forward by the developed nations,
such as the IRB at UNCTAD, must be treated on the merits and
with serious consideration. The LDCs must not lend

themselves to parliamentary manipulation by those states who contribute nothing to the development of the poor nations of the world.

We will be addressing the problems of resource development financing again in later meetings, including the preparatory conferences contemplated by the commodities resolution of UNCTAD IV. We will advance the IRB proposal again and we expect that it will be considered with the same respect and care which the United States will lend to the study of the proposals which the LDCs will table.

The United States went to Nairobi with a wide range of other proposals aimed at dealing constructively and pragmatically with the urgent problems of the developing world. We are gratified that the Conference embraced a number of these suggestions, dealing with resource and technology transfer and trade expansion. We will continue to elaborate these proposals -- as well as the proposal for the Resource Bank -- in appropriate fora, because they are right for the profound problems we are addressing.